

**MOTOR VEHICLE DEALER BOARD  
MINUTES  
January 19, 2016**

The regular meeting of the Dealer Board was held at the Department of Revenue offices, Lakewood, Colorado. The following persons were present:

**BOARD MEMBERS:**

Anthony Brownlee  
Justin Franks  
Robert Endter  
Joseph Gebhardt  
Michael Jorgensen  
Chris Langley  
Stan Martin  
Deborah Thompson  
Jason Wagner

**MEMBERS ABSENT:**

**SENIOR DIRECTOR OF  
ENFORCEMENT:**

Ron Kammerzell

**EXECUTIVE SECRETARY:**

Bruce Zulauf

**LEGAL ASSISTANT:**

Leland Bebee

**DEPT OF REVENUE,  
AID, ENFORCEMENT  
DIVISION STAFF:**

Chris Rouze  
Matt Heap  
John Opeka  
Gloria Breeden  
Martin Kenney  
Cheryl Morrison  
Erika Garcia  
Hollie Harlan  
Arleen Criddell Tapanen

**ATTORNEY GENERAL'S OFFICE:**

Brendon Reese  
Skip Spear

**VISITORS:**

Georgina M. Vigil, Herbies Auto Sales  
Eric Hartsough, Dealer Services  
Saul Larson, DORA  
Todd O'Connell, CIADA  
Tammi McCoy, CADA  
Jerry Johnson, Kuni Honda  
Art Erwin, Christopher's Dodge World  
Mike Topolosky, Peak Kia – Littleton  
Angel Compian, Vista Auto Sales  
Kirk Kiespeet, Stevinson Lexus  
David Sominson, John Elway

President, Jason Wagner, opened the meeting of January 19, 2016 at 9:05 a.m. Mr. Wagner turned the floor over to Executive Secretary, Bruce Zulauf.

## **AGENDA REVIEW AND ANNOUNCEMENTS**

Mr. Zulauf informed the Board there were no corrections to the agenda. Mr. Brendon Reese, Assistant Attorney General, will be advising the Board about the length of time a license can be conditioned. Mr. Saul Larson of the Department of Regulatory Agency will advise the Board on what the Sunset Review will mean for the Board and the Division.

## **CALENDAR**

The Division has noticed Motor Vehicle Regulation 12-6-118(3)(i) and Powersports Regulation 12-6-520(3)(h) pertaining to Material Damage Disclosures, Material Particulars. The rules were posted to the Secretary of State's website on Friday, January 15, 2016. There will be a public rulemaking hearing at 9 a.m. on Thursday, February 25, 2016. The entire rulemaking record will be electronically forwarded to Board members on Tuesday, February 16, 2016.

## **SUNSET REVIEW**

Mr. Saul Larson informed the Board that the Sunset Review will use statutory criterion to critique/evaluate if regulation is necessary to protect the public.

There are three parts to the Review:

- Research portion – which will consist of stakeholder outreach and input and will continue until June 2016.
- Writing portion – which will result in a report to the General Assembly and the public on October 15, 2016. This portion will consist of the following four sections:
  1. Profile of the Motor Vehicle Dealer Board
  2. Legal Framework
  3. Program Description
  4. Recommendation
- Recommendation portion – which includes administrative recommendations not governed by statutory change.

After October 15, 2016, Mr. Larson will draft a Sunset Bill reflecting any statutory changes and will provide same to the Committee of reference in January 2017. The Bill will then follow the normal legislative process.

## **MINUTES**

The minutes of the November 23, 2015 meeting were approved unanimously.

## ATTORNEY GENERAL'S REPORT

Mr. Brendon Reese presented the following to the Board:

1. **Proposed Stipulation and Final Agency Order – Arturo M. Bernuy Salesperson License No. 177854** – Motion to approve the Proposed Stipulation and Final Agency Order – approved unanimously.

A motion was made to enter into Executive Session pursuant to C.R.S. 24-6-402 (3)(a)(II) for the purpose of receiving legal advice from Assistant Attorney General, Brendon Reese, specifically regarding the Board's authority for licensure – passed unanimously.

**The Board went into Executive Session at 9:27 a.m. and Resumed Open Session at 9:55 a.m.**

Mr. Reese stated that the discussions, while in Executive Session, were limited to specific legal advice regarding the Board's authority for licensure.

## BACKGROUND INVESTIGATIONS TEAM

Ms. Breeden presented the following to the Board:

### Dealer Applications:

- **Express Auto LLC #43445** – Motion to grant the license – approved unanimously.
- **Guerra Auto's #37304** – Motion to deny the license on the basis of failure to comply with C.R.S. 12-6-104(3)(g) – approved unanimously.

Mr. Langley recused himself and left the room.

- **Jambo Motors #43299** – Motion to table for 30 days – approved unanimously.

Mr. Langley returned to the room.

- **United Auto, Inc. #43459** – Not presented.
- **WJ Livestock Trailer Sales #43336** – Motion to deny the license on the basis of failure to comply with C.R.S. 12-6-104(3)(g) – approved unanimously.

### Salesperson Applications:

- **Clemens, Cynthia D. #555450** – Motion to deny the license based on unfitness of financial character – approved 7-1 (Langley opposed).
- **Cook, William R. #152413** – Application withdrawn.

- **Dallenbach, Travis J. #556708 and #556724** – Motion to deny the license based on unfitness of criminal character and unfitness of financial character – approved unanimously.
- **Hernandez, Jose A. #181720** – Motion to deny the license based on unfitness of financial character and having been convicted of a misdemeanor under title 18 or any felony – approved unanimously.

Mr. Brownlee recused himself and left the room.

- **Johnson, Jerry Allen #26747** – Motion to grant a conditional license based upon applicant providing the standard letter from the employing dealer which includes the normal terms and conditions – approved unanimously.

Mr. Brownlee returned to the room.

- **King, Luke A. #166235** – Motion to deny the license based on unfitness of financial character, unfitness of criminal character and having been convicted of a misdemeanor under title 18 or any felony – approved unanimously.
- **Lopatowski, Antoni B. #191737** – Motion to deny the license based on unfitness of financial character, unfitness of criminal character and having been convicted of a misdemeanor under title 18 or any felony – approved unanimously.
- **Lucero, Pamila Jean #191514** – Motion to grant the license – approved 7-1 (Langley opposed).
- **Morace, Kevin Dwayne #558414** – Not presented.
- **Pack, James K. #191382** – Motion to grant the license – approved unanimously.
- **Rogers, Brent A. #191490** – Motion to grant the license – approved unanimously.
- **Shingara, Edward T. #191754** – Motion to deny the license based on unfitness of criminal character and having been convicted of a misdemeanor under title 18 or any felony – approved 5-4 (Wagner as chairperson voted).
- **Topolosky, Michael John #187997** – Motion to grant a conditional license based upon applicant providing the standard letter from the employing dealer which includes the normal terms and conditions – approved 7-1 (Langley opposed).
- **Wentz, Cary Jay #34256** – Motion to grant the license – approved unanimously.
- **Youngblood, James R. #556646** – Motion to grant the license – approved 7-1 (Langley opposed).

Board took a 10 minute break.

## EXECUTIVE SECRETARY'S REPORT

Mr. Zulauf presented the following to the Board:

- **Proposed Stipulation and Final Agency Order – Sunset Auto, Dealer #8684** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Maaliki Motors, Dealer #37307** – Motion to reject the Proposed Stipulation and Final Agency Order – Executive Secretary will renegotiate and amend stipulation – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Keesee Motor Company, Dealer #734** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Insurance Auto Auctions, Inc., Dealer #39573** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.
- **Proposed Stipulation and Final Agency Order – Grand West Hyundai, Dealer #42783** – Motion to accept the Proposed Stipulation and Final Agency Order – approved unanimously.

Mr. Reese recused himself and left the room.

Skip Spear, Assistant Attorney General, provided legal advice to the Board regarding the Saul Cerros and Motor Cars of Denver cases.

- **Initial Decision – Cerros, Saul, Motor Vehicle Salesperson License #186897** – Motion was made to accept the Findings of Fact, modify the Conclusions of Law to include the two felony convictions, and deny the license – approved unanimously.
- **Initial Decision – Nylund Imports, Inc. d/b/a Motor Cars of Denver, Motor Vehicle Dealer License #1248** – Motion was made to accept the Findings of Fact, modify the Conclusions of Law and the recommended sanction to reflect the imposition of a 30-day suspension should Nyland Imports, Inc. ever seek a new used motor vehicle dealer license – approved unanimously.
- **Initial Decision – Compian, Sr., Angel, Motor Vehicle Salesperson License #176216** – Motion was made to accept the Findings of Fact, Conclusions of Law, and grant the license with specified conditions – approved unanimously.
- **Initial Decision – Delles, Jared James, Motor Vehicle Salesperson License #185180** – Motion was made to accept the Findings of Fact, Conclusions of Law and set aside hearing officer's recommendation and change the order to revoke the license due to mandatory disqualifier – approved unanimously.
- **Initial Decision – Vigil, Georgina Maria, Motor Vehicle Salesperson License #162148** – Motion was made to accept the Findings of Fact, Conclusions of Law and accept the recommended order and grant a conditional license – approved unanimously.

Mr. Reese returned to the room.

## **INVESTIGATIONS REPORT**

Mr. Heap presented the following to the Board:

**November Statistical Reporting** – Mr. Heap informed the Board that we started with 434 cases, 166 new cases were opened and 185 cases were closed for the month, giving the Division a balance of 415 open cases. There were 439 background inquiries performed.

**December Statistical Reporting** – Mr. Heap informed the Board that we started with 415 cases, 178 new cases were opened and 169 cases were closed for the month, giving the Division a balance of 424 open cases. There were 382 background inquiries performed.

### **Affidavits of Probable Cause:**

- **Alpine Buick GMC LLC, DL #38754** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Alpine Buick GMC LLC, Dealer #38754; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Auto Cycle Exchange Services, Inc., DL #36375** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Auto Cycle Exchange Services, Inc., Dealer #36375; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Battle Abbey Wholesalers, DL #3165** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Battle Abbey Wholesalers, Dealer #3165; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Carvilles Auto Mart, Inc., DL #7606** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Carvilles Auto Mart, Inc., Dealer #7606; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Colorado Car Company, DL #7363** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Colorado Car Company, Dealer #7363; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.

- **Econo Auto Sales, DL #3075** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Econo Auto Sales, Dealer #3075; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Family Trucks & Vans, DL #8343** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Family Trucks & Vans, Dealer #8343; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Impex Automotive, DL #41617** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Impex Automotive, Dealer #41617; and that the Colorado Motor Vehicle Dealer Board summarily suspend their motor vehicle dealer’s license in accordance with C.R.S. 24-4-104 as they have engaged in deliberate and willful acts and their conduct poses a threat to the public health, safety and welfare and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Lees Used Cars, DL #3290** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Lees Used Cars, Dealer #3290; and that the case be assigned to the Office of Administrative Courts for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Markley Motors, Inc., DL #17** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Markley Motors, Inc., Dealer #17; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Medved Chevrolet Buick GMC, DL #4579** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Medved Chevrolet Buick GMC, Dealer #4579; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Michael Auto Sales, LLC, DL #42648** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Michael Auto Sales, LLC, Dealer #42648; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.

- **Rocky Mountain Auto Brokers, Inc., DL #38395** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Rocky Mountain Auto Brokers, Inc., Dealer #38395; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Summit Auto LLC, DL #4390** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Summit Auto LLC, Dealer #4390; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **The Auto Sheriff, DL #42868** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to The Auto Sheriff, Dealer #42868; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Tatos Auto Sales, DL #39199** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Tatos Auto Sales, Dealer #39199; and that the case be assigned to the Colorado Motor Vehicle Dealer Board for a hearing on the merits and that the Executive Secretary be permitted to engage in settlement negotiations pursuant to C.R.S. 12-6-104 – approved unanimously.
- **Garsez, Jerry, SP #28853** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Garsez, Jerry, Salesperson #28853; and that the case be assigned to the Colorado Department of Revenue, Hearings Division for a hearing on the merits – approved unanimously.
- **Nuttall, Jacob B., SP #186375** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Nuttall, Jacob B., Salesperson #186375; and that the case be assigned to the Colorado Department of Revenue, Hearings Division for a hearing on the merits – approved unanimously.
- **Sanchez, Vincent, SP #27022** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Sanchez, Vincent, Salesperson #27022; and that the case be assigned to the Colorado Department of Revenue, Hearings Division for a hearing on the merits – approved unanimously.
- **Steves, Timothy, SP #187343** – Motion that the Board finds probable cause based upon the Affidavit of Probable Cause presented to the Board today respective to Steves, Timothy, Salesperson #187343; and that the case be assigned to the Colorado Department of Revenue, Hearings Division for a hearing on the merits – approved unanimously.



**New Business** – HB16-1029 Registration of Kei Vehicle for Use on the Public Roadways

Mr. Zulauf informed the Board that new legislation from the Joint Transportation Committee has classified Kei Vehicles as a Powersport requiring licensure to sell.

**Public Comment** – No public comment.

The regular meeting of the Motor Vehicle Dealer Board was adjourned at 12:35 p.m.

*(Note: The Minutes of the Motor Vehicle Dealer Board summarize the contents of the meeting. They are not verbatim transcripts and are based principally upon the digital recording of the meeting and upon the later collaboration of staff attendees to ensure that the summary faithfully captures the matters before the Board and the actions the Board took. The digital recording of the meeting is a permanent record of the Board, retained in the electronic filing system of the Auto Industry Division, and is available as a resource for review, as needed.)*

Bruce Zulauf  
Executive Secretary